

**WORLD VIEW:
THE 1995 STRATEGIC ASSESSMENT
FROM THE STRATEGIC STUDIES INSTITUTE**

Edited by

Earl H. Tilford, Jr.

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FOREWORD

Every year the analysts at the Strategic Studies Institute (SSI) prepare current assessments for their particular areas of interest. These assessments become the bedrock of the annual SSI Study Program.

This year's assessments are crucial given the complexities of the post-Cold War world. Russia remains an enigma wrapped in a riddle with Russian national interests very much paramount in the Kremlin's thinking. As 1995 begins, Russian troops are heavily engaged in putting down a rebellion in the secessionist republic of Chechnya. The implications for the future of Russian democracy may be significant.

The world of 1995 is very much one of continuity and change. Accordingly, old hatreds are very much a part of the equation. In the Middle East, Syria, Israel, and the Palestine Liberation Organization work toward a just and lasting peace. However, new hot spots, like Algeria, will emerge unexpectedly.

In the Far East, North Korea and the United States are attempting to decrease tensions while Washington and Hanoi are moving much more rapidly toward better relations. China continues to modernize its military forces while Japan and the United States are seeking areas for economic cooperation.

In Africa, the ravages of war and nature were part of the story in 1994. However, bright spots did occur, to include the peaceful transition to black majority rule in South Africa. In 1995 there will be reasons for optimism, like continued economic growth in Botswana and Namibia. On the other hand, corrupt governments, infectious diseases, and high population growth continue as areas for concern.

South America, like Africa, is a continent beset with challenges and opportunities in the coming year. Rapidly expanding population and continuing poverty will frustrate proponents of democratic change in countries like Venezuela. While illegal migration from Central America has abated, in the Caribbean the potential for increased migration may grow in 1995.

The Strategic Studies Institute offers this "world view"

assessment in the hope that it will be of value to those charged with understanding the current and future strategic environment.

WILLIAM W. ALLEN
Colonel, U.S. Army
Acting Director
Strategic Studies Institute

**WORLD VIEW:
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Earl H. Tilford, Jr.

Introduction.

Each January the regional analysts at the Strategic Studies Institute (SSI), U.S. Army War College assess global trends that are likely to determine the state of the world through the next decade. From these assessments study proposals are devised which focus on those issues and trends impacting on the requirements for maintaining America's Army as a strategic force during the coming years.

In 1995, the analysts at SSI estimate that 14 major determinants will significantly influence the Army's posture, U.S. interests, and national military strategy:

- The debate between the services pertaining to roles and missions will continue. Fiscal constraints will necessarily exacerbate the competition over roles and missions as each service tries to define its parameters in the wake of political change, an uncertain and constantly evolving international situation, and the ongoing Revolution in Military Affairs (RMA).
- The Army will articulate and refine its vision as a strategic force for the 21st century as it re-engineers itself into Force XXI.
- Fiscal constraints will also continue to drive national priorities. Added to the budgetary restraints will be the uncertainties accompanying the changes in the political leadership in Congress where Republicans have replaced Democrats as chairs of all committees in both the House and Senate.
- U.S. forces will continue to be used in Military Operations Other Than War (MOOTW). However, ongoing emphasis on peacekeeping and peace enforcement operations in consonance with United Nations and other coalition partners will cause the debate on the efficacy of this kind of use of U.S. force to intensify.
- The Caribbean will remain troublesome as the political

and economic crisis in Cuba deepens. In Haiti, rising expectations will not be matched with socioeconomic progress and frustrations could well foster violence as the time for withdrawal of U.N. peacekeeping forces nears.

- Russia will continue its arduous road to democracy while facing challenges presented by ethnic and religious inspired violence, political unrest, economic hardship, and a growing criminal element. Russian use of force in peacekeeping operations in the Caucasus and elsewhere along the southwestern frontiers of the former Soviet Union may well increase. Those factions within the Russian political and military hierarchy which continue to emphasize Russia's need to play the role of a major power are likely to grow in influence.

- The Russian invasion of the breakaway republic of Chechnya in December 1994 has raised doubts about the future of Russian democracy. The invasion has undermined not only Russia's prestige abroad, but also threatens to crumble the foundations of the post-Communist Russian state itself.

- The effects of the RMA will become more obvious as the diffusion of political, economic, technical, and military power in a multipolar world makes it possible for states which were once militarily inconsequential and/or for terrorist groups to challenge peace in ways unanticipated at the end of the last decade.

- The proliferation of weapons of mass destruction (WMD) will continue to present a daunting challenge, both by the acquisition of technological capability to engineer and produce advanced conventional, nuclear, and chemical/biological weapons, and by their availability from stockpiles in the former Soviet Union.

- Ethnicity and religion have supplanted ideology as social forces most likely to promote violence. These forces are challenging established institutions such as national governments and old alliances like the North Atlantic Treaty Organization (NATO).

- The continuing crisis in the Balkans, particularly in Bosnia, Croatia, and Serbia, will threaten to undermine European stability and unity. Western Europe will look to the United States to provide more military force, and debates over the extent of the use of force--and what kind of force should be used--will grow. If the peace that former President Jimmy Carter bartered does not take hold,

and if Serbian forces go on the march again, the United States could find itself under pressure to increase its military role in the Balkans, almost certainly through expanded air strikes and then, possibly, with ground forces.

- Despite progress toward peace between Israel, the Palestine Liberation Organization, and Jordan, the Middle East remains volatile. In 1995, the focus will be on the roles of both the United States and Syria as the peace process moves agonizingly forward.
- In Asia the need for regional security and accommodation remains even as North Korea and the United States seem to have reached an agreement over nuclear issues. Challenges to peace may arise in the Paracel Islands and in the ongoing and uneven relationship between the People's Republic of China and Taiwan.
- A significant chance for recidivism in Somalia exists. The last American troops were withdrawn in March 1994, and the United Nations Security Council set March 1995 as the deadline for elections, the establishment of a legitimate government, and the withdrawal of U.N. troops. The first two objectives will probably not be met and the troop withdrawal will likely bring renewed fighting.

The world of 1995 will be just as unpredictable and potentially dangerous as the world of 1994. Last January, the major deployments of U.S. military forces to Rwanda, Haiti, and back to Kuwait were unforeseen. It is nearly certain that unanticipated events will present new challenges in the months ahead.

Bosnia, the Korean Peninsula, the Caribbean, and the continuing conflicts along the southwestern fringes of the former Soviet Union present diverse political and military challenges as the United States endeavors to define its role in the new world order. As fiscal realities drive a declining defense budget the senior leadership of the Army will have to make difficult choices between readiness and modernization during the current controversy over roles and missions even as the Army restructures itself into Force XXI.

TRANSREGIONAL SECURITY CONCERNS

Steven Metz

Regional Challenges, Global Issues.

A transformation of historic proportions is underway. For several decades the global political system has faced a series of increasingly intense challenges: the rise of totalitarianism, independence and modernization in the Third World, the dissemination of global power from Western Europe, the resurgence of Islam, an explosion of global communication, the coalescence of international values, and the emergence of post-industrial economies are among the most prominent. The force of this change is apparent. The result is not clear.

Historically, transitions in the global system are not sudden. They are more metamorphoses or accretions than revolutions, often comprehensible only after the fact rather than while in progress. Elements of the old system, to include its economic, political and social structures, practices, and values, usually linger. Inevitably the dynamics of the emerging order are influenced, if not determined, by the old. Strategic choices made during the period of transition, particularly by the major powers, are thus extraordinarily important. This is the situation today; the decisions, policies, and programs of the next few years will shape events for decades to come. Given this, the U.S. military, among others, is scrambling to understand the changing global security environment.

The most daunting task is to ask the right questions. History's greatest gift is the understanding that suggests which of the many changes taking place are most salient. In the search for the appropriate force structure, strategy, and doctrine for Force XXI, two macro-level trends are particularly important: the structure of the global system, and the changing form and function of military power.

Trends and Issues.

- **The structure of the future global system** is probably the single most important determinant of U.S. national security strategy. It shapes how and why military force will be used. It determines who (or what) are the allies and the enemies. Roles and missions, force structure, training, equipment, and doctrine all depend on the structure of the future global system. While

it is impossible to discern precisely how the future global system will be structured, it is possible to develop an array of feasible alternatives, each with its own set of military implications.

- *An Unstructured State System Leading to Communal Security*, one possibility, is a linear descendant of the current system. States would remain the most important actors with a gradual increase in the role of non-state actors such as international organizations, multinational corporations, and non-state interest groups and political movements. The United States would remain the preeminent state, but with its security role diminished as non-state organizations become more effective at promoting shared concerns.

- A *Polyglot System* resembles Renaissance Europe where large heterogeneous political units like the Holy Roman Empire and the Ottoman Empire coexisted with more homogeneous middle-sized ones like England, independent duchies, and free cities. The United States would attempt to retain hegemony in its traditional areas of concern such as the Americas, Western Europe, and the Pacific Rim, and would disengage from others. The U.S. military would support friends and allies like Germany and Mexico that border fragmented, unstable regions and would dispatch small expeditionary forces for humanitarian relief and noncombatant evacuations. The Army would perform functions like special operations, air defense and intelligence, but sustained warfighting and power projection would be less significant.

- *Semi-Autonomous Regional Economic Blocs* is another feasible alternative. Each would contain a dominant economic and military power. The United States would lead the Americas bloc. Germany would dominate the West European bloc. Russia would assert leadership in the East European and Central Asian bloc. China would lead the Asian mainland and Japan would be preeminent in the Pacific Rim bloc. In such a system, American strategy would stress cooperation and stability within the Western Hemisphere and economic links with the West European and Pacific Rim blocs. Continuing reliance on imported petroleum will be a vital determinant in U.S. security policy. Lessening this dependence would greatly decrease U.S. security concerns outside the Americas.

- *The Civilization-Based System* is rooted in the highest cultural grouping as defined by shared history, customs, institutions, and "subjective" self-identification.¹ This system would be shaped by interaction among seven or eight major civilizations: Western, Confucian, Japanese, Islamic, Hindu, Slavic-Orthodox, Latin American and possibly African. Conflict will occur where civilizations meet and clash.

¹ This concept was developed in Samuel P. Huntington, "The Clash of Civilizations?," Foreign Affairs, Vol. 72, No. 3, Summer 1993, pp. 22-49.

- *Three-Tiered System*. Analysts Alvin and Heidi Toffler expect the future global system to be state-centric and trisected. First Wave states will be agricultural. Second Wave states will be industrialized and Third Wave states will be information based. U.S. strategy in such a system would be to foster integration and cooperation with other Third Wave states, to promote stability among Second Wave states, and to ameliorate suffering in First Wave regions. A three-tiered system would require the United States to retain a robust and versatile military force able to perform missions from strategic deterrence and conventional warfighting to peace operations.

- *Bifurcated System*. A final alternative is a global system divided into two parts, one stable, prosperous, and small, the other unstable and economically stagnant. The United States would probably disengage from the ungovernable parts of the world and while low intensity conflicts in the ungovernable regions might occasionally spill into border areas of the governable region, the primary tasks for the U.S military would be relief operations and guarding the frontiers of the governable regions with its allies. There might be

occasional punitive operations to punish transgressors or terrorists and interventions to prevent proliferation of weapons of mass destruction.

Which of these alternatives is most likely? Which should the United States prefer? How can national security and military strategy encourage the development of a preferred system? The answers should provide broad guidance for developing U.S. military strategy.

- **The changing nature of military power** is the second macro-level trend. While some dimensions of warfighting--fear, uncertainty, the importance of leadership--are perennial, its strategic nature varies. How, why, and when people fight reflect the broader international system as well as the specific strategic cultures of warfighting states or organizations. This means that the nature of military power is changing as the wider global system changes. For most armed forces around the world and for the U.S. military in particular, two major trends are affecting force structure, doctrine, training, and leader development. First is the increasing significance of unconventional missions, especially peace operations, counterproliferation, and counterterrorism. Second is the search for efficiency which focuses on multilateral military operations and the RMA.

Given these major trends, the key determinants for the future security environment include:

- The continued development of shared global values versus return of ideological, political, racial, economic or religious schisms.
- The continued primacy of the state in the global system versus its replacement by other types of political organizations.
- The pace and extent of economic, political, and cultural integration among developed states and regions.
- The continued relevance of nonconventional military missions, especially counterproliferation and counterterrorism to include both traditional terrorism and ecoterrorism.
- The ability of the United States to build a nonpetroleum-dependent military.
- The impact of the RMA, especially its second order

effects.

RUSSIA AND EURASIA

Stephen J. Blank

Regional Assessments.

Russia and the Commonwealth of Independent States. Russia has found her voice and it is strident. In December 1994, in the largest offensive military undertaking in 15 years, Russian forces poured into the breakaway region of Chechnya. This culminated a year in which Moscow focused on obtaining dominating positions of economic and military leverage across the Commonwealth of Independent States (CIS). Russia also took a hard line in negotiations with Kiev for a treaty to denuclearize Ukraine, to gain extensive economic concessions, and to obtain a favorable settlement of Black Sea Navy issues. Russia's invasion of Chechnya signifies, as well, its determination to use force to preserve the integrity of the Russian Federation. This action is clearly associated with the general hardening of Russian policy since 1992 and will probably continue into the foreseeable future. Other examples of this hardening may be expected with regard to Ukraine and to the issue of NATO expansion. However, the invasion of Chechnya exposed all the deficiencies of Russia's armed forces to the light of public scrutiny and reinforced the fact that Russia's means for pursuing its strategic objectives are not commensurate with the scale of these objectives. This "insolvency" can only lead to further crises within Russian politics, the armed forces, and in Moscow's overall security policies.

In Europe, Russia will continue to use its political and economic leverage to alter Baltic legislation on citizenship for Russians left in Latvia, Estonia and Lithuania. In some cases, although military installations were closed, Russian troops were "retired" to those states and remain there, some without gainful employment. Nevertheless, the military situation in the Baltic has changed and, along with Fenno-Swedish entry into the European Union, possibilities for a new regional status quo have emerged.

This could represent an interesting experiment in regional or subregional security in the new Europe.

Russian opposition to the entry into NATO by former members of the Warsaw Pact will remain adamant in 1995. Despite the Partnership for Peace, Russian critiques of NATO and Moscow's objections to its expansion will continue unabated as the

Russians attempt to revise the CFE's troop limits. Because the latter is a cornerstone of European security, any change might open possibilities for revising the European status quo with unanticipated consequences. In Russia's Asian policy, difficulties with Japan can be expected, as well as some grumbling about U.S. policy in Korea. Russia's key relationship in Asia, however, and the one affecting all of Asia, is its ties with China.

The Russian military, although formidable, seems to be a shadow of its former self. It is beset by low morale and bitterness, and lacks in effective leadership or control. It is so divided and demoralized that it is not likely to have either the initiative or sufficient cohesiveness to seize power. On the other hand, it probably could not prevent anyone else from seizing power. Military leadership, like much of the rest of Russia, is pervaded by corruption and lawlessness. And, like everything else, it is financially bankrupt. Although soldiers are unpaid and the military cannot meet its minimal operating costs, Russia maintains three to four million troops under arms and continues to contract for military programs it can ill afford. These pathologies indicate that the Russian government and its Ministry of Defense have yet to comprehend their abiding strategic dilemma. Russia may see itself as a world power but playing that role is beyond its capacity. Until and unless Russian strategic interests coincide with reality, both democracy at home and security abroad is dubious.

Eastern Europe. The fighting in Bosnia will continue until the Croatian Serbs finally overwhelm the Bosnian Moslems. The wars in the former Yugoslavia will continue and they will not only defy solution but also divide the West. Beyond the human catastrophe, the consequences for Europe are profound and dangerous.

The fighting in the Balkans has had a significant effect on Europe. First, the Balkan civil war has divided Europe into East and West. Many East Europeans believe that the war in the Balkans does not truly trouble "the conscience of Western Europe." Second, regional developments show numerous signs of becoming once again a veiled contest between the great powers pursuing discordant interests in the region through client states. This process can only undermine progress towards an

overall European security system by fomenting trends towards thinking in spheres of influence and bloc terms. Third, in 1994 Russia reinserted itself into the Balkans and its influence there will continue to grow throughout the coming year, making it significantly more challenging for the United States, France, Germany and Britain to impose a peace.

A second major issue in 1995 will be the continuing NATO expansion to include former Warsaw Pact nations. The Partnership for Peace, a "holding operation" as described by its creators, may reach the limits of utility within the next few months. While there will be no consensus in NATO as to what to do with these states, the overall desire not to antagonize Russia will prevail. Poland will continue to view this attitude with dismay, and frustration in Warsaw can only grow.

Meanwhile, Germany will increasingly assert its preferences for Eastern Europe as it seeks to define the parameters of its post-Cold War relationship with the United States. Bonn wants more U.S. economic and political investment in Eastern Europe. If Washington is unable to articulate a strategy for Europe, look for Bonn to take the lead. As was often the case in the latter part of the 19th century, Germany will turn to Russia.

Trends and Issues.

- Whether or not it is resolved, pressure will grow for a decision to enlarge NATO with the Visegrad Four. This will move Russian-European relations to center stage. A similar development will take place with regard to the CFE Treaty up for renewal in 1995. Russian compliance is the key issue and one that cannot be predicted.
- The Bosnian Serbs will win the war in Bosnia and Croatia in 1995 or soon thereafter. Bosnian statehood will be erased or undermined. The consequences of this for European security are both unfathomable and ominous.
- One of the consequences of the Bosnian debacle will be the renationalization of the security agendas throughout Eastern Europe.
- In Central Europe, Poland, Hungary, and the Czech Republic will continue their efforts to join NATO and be integrated into the European Union. Russia will intensify its opposition to any such eventuality.
- Russia will continue to be the big question mark in the territory east of the Danube and west of the Sea of Japan.

Economic reform will remain stalled. Meanwhile, Russia will become more assertive in its border regions as it continues to pursue a foreign policy it can neither afford nor, ultimately, enforce. Russian strategic objectives will remain incongruent with its economic and military capabilities.

- The invasion of Chechnya has exposed this incongruence of resources and goals and the overall debilities of the Russian armed forces. It also presages a continuing crisis throughout the CIS because it shows that Russia's internal political crisis has not yet been overcome. Instability in Russia will fuel instability throughout the CIS.

- Moscow's relationship with Beijing may clarify before the end of 1995. This could be the most important single political and international phenomena in Asia; one with significant economic, military, and geopolitical consequences.

WESTERN EUROPE
William T. Johnsen
Thomas-Durell Young

Regional Assessment.

European security continues its uncertain and precarious evolution. In the larger sense, Europe and North America will continue to grapple with the challenge of incorporating Russia, the former European Soviet Republics, and the former Warsaw Pact nations into a viable security system. So far NATO, the principal security organization in Europe, has proven deft at avoiding the direct issue of new membership by creating the Partnership for Peace program as announced at the January 1994 summit. In 1995 the membership expansion issue will continue to be debated and a decision on membership may be required sooner than many realize.

The European Security and Defense Identity (ESDI) question continues to engage NATO. Within the Alliance, the Combined and Joint Task Force (C/JTF) concept has yet to be fully implemented, largely due to the as yet unanswered questions surrounding ESDI and its relationship with NATO and the United States.

In southeastern Europe, the civil war in the former Yugoslavia will drag on in 1995, and its eventual resolution will most likely be unsatisfying to most NATO members. Unfortunately, NATO's future has partly been tied to a settlement. Furthermore, southeastern European security has been called into question by disputes between Turkey and Greece over maritime boundaries and Turkish opposition to Greek efforts to become more involved in the integrated command structure and by continued Greek obstruction to Turkish cooperation with the European Union.

Since the end of the Cold War, ethnicity and nationalism have been making a powerful comeback in Europe. That trend will continue through 1995 and for the foreseeable future. Moreover, extremism will continue to flourish on the fringes of Europe. Nations and regional security organizations have yet to respond effectively to these new challenges to stability and they are not likely to do so in 1995.

Throughout Europe governments remain weak. In Western Europe, long-standing governments (Thatcher/Major in the United

Kingdom, the Mitterand government in France, and the Kohl government in Germany) are approaching an end to their long reigns. France will hold presidential elections this spring, but there are no reliable indicators as to which conservative candidate will win. German Federal Chancellor Helmut Kohl won the fall federal elections but has only a slim majority in the Bundestag. The Italian coalition government led by Silvio Berlusconi has disintegrated, further delaying the implementation of necessary political and economic reforms Italian voters expected in the spring 1994 elections. The new Italian government, led by Lamberto Dini, has yet to consolidate its power base in Parliament, and will move slowly to implement the necessary reforms Italian voters expect. The Nordic nations are struggling with financing liberal social welfare programs and with their deepening structural economic crises. The emerging democracies in Central and Eastern Europe are beset with significant challenges. All Europe is looking to the United States for leadership that may or may not be forthcoming. In 1995, these conditions are not likely to change, and as a result, national and trans-European political security structures will remain in flux.

Trends and Issues.

- The Partnership for Peace (PfP) needs to be more than a device for avoiding the difficult issues attending European integration. PfP needs to be implemented fully. In 1995 NATO has to consider seriously the question of membership for Partnership countries.
- A key element in NATO's military reorganization is the Combined and Joint Task Force (C/JTF) announced at the January 1994 Summit. It will continue its slow development in 1995, largely due to French opposition.
- Franco-U.S. relations will remain mired by ambivalence. Nevertheless, intensive problems will continue to exist over NATO. If the French are seeking full rapprochement with NATO, that is not yet evident. Nor is it likely that the spring 1995 elections will result in a French government more openly amenable to cooperation with NATO.
- Reflecting the rapid pace of change in Europe, German defense reorganization has been in a state of flux for the past 5 years. Given the recent elections and the small majority held by the Kohl-led government in the Bundestag, a clear consensus will emerge very slowly in Bonn to include the future role, organization, and strength of the

Bundeswehr. German defense planning will proceed with fits and starts.

- The political crisis will deepen in Italy and, even as Rome pursues an active international role, the country will weaken internally.

- As indicated at the informal meeting of NATO Defense Ministers in Seville, events in southern Europe and the Mediterranean loom larger as European and NATO security concerns. Instability in the Maghreb, particularly Algeria; the rise in Islamic radicalism; the potential for proliferation of conventional armaments as well as WMD; and increasing Muslim immigration will vie for attention in European capitals.

LATIN AMERICA
Donald E. Schulz

Regional Assessment.

During 1995, threats to peace, stability, progressive growth, and democracy in Latin America will come from political extremes and deeply rooted economic, social, and political problems. U.S. national interests in the region will continue to be the promotion of democracy and sustainable economic development. Human rights, the development of higher living standards throughout the region, combating the illegal drug trade, and the curtailment of illegal migration to the United States will probably endure as issues at least through the turn of the century. While most countries in Latin America may be expected to continue the process of democratization, some are under pressure from authoritarian alternatives. This has been especially so in countries where democratically elected governments have yet to fulfill popular expectations.

A rapidly expanding urban population and the attendant socioeconomic problems of decapitalization, unemployment, violent crime, and drug abuse create conditions which promote emigration, subversion, terrorism, insurgency, and the kind of political instability which fosters *coups d'etat*. U.S. assistance in reinforcing democratic institutions and building strong economies will remain the best defense against the authoritarian alternatives.

In the Andean Ridge countries of Bolivia, Peru, Colombia, and Ecuador, thousands of Latin American farmers have entered the lucrative coca growing business and its related and even more lucrative cocaine processing activities. Venezuela has recently become another preferred embarkation point for illegal drug shipments to the United States and Europe. Venezuela and Brazil may become significant producers as well as transshipment points for drugs. In addition, poppy cultivation is increasing in Mexico and Guatemala. Unless a suitable alternative is found, these farmers may well provide the raw materials that support insurgents and/or drug trafficking cartels. The probability is very high that even with U.S. training, equipment, and advisors, Latin American governments will not be able to make more than very limited progress against the supply side of the drug trade. Equally disturbing has been the recent increase in the use of

illegal drugs in Latin American countries proper.

Several million people a year enter the United States illegally from South America, most through Mexico. Continued economic underdevelopment and the wide gulf between rich and poor have resulted in significant increases in the number of Latin Americans attempting to enter illegally. Although most are economic refugees, a large number claim to be fleeing political persecution. If democracy fails, the number of refugees making that claim will increase significantly.

While migration from Central America is no longer a major problem, Caribbean migration has increased and may even grow worse in 1995. The current crisis in Cuba could foster another Mariel boatlift. In Haiti, although the restoration of President Bertrand Aristide and the large international political, economic and military commitment hold promise for a better future, the situation is fragile. Any change for the worse could bring another onslaught of sea-borne refugees.

The answer to most of these concerns is the nurturing of democracy, sustainable development, greater economic opportunity, and a viable counterdrug strategy. Some of these issues can be addressed through the Enterprise for the Americas Initiative and an expanded North American Free Trade Agreement, and the Andean Drug Strategy. How to formulate viable strategies and translate them into effective policies and executable programs will remain the real challenge for the United States in 1995.

Trends and Issues.

- As Latin American (LATAM) nations continue the process of democratization, there is a danger that authoritarian movements will grow where elected governments do not meet popular expectations. Democratization may have reached its apex. The issue is whether or not it survives--and where it survives. This will depend on economic growth, the generation of employment opportunities, containment of urban population growth, and enhanced civilian control over the armed forces.
- Through the year 2000, threats to democratic governments will increase. These threats are a result of rapid urbanization, the displacement of rural populations, socioeconomic inequalities, poverty, weak economies, and an authoritarian culture. These elements are exploitable by

drug cartels, radical politicians from the left and right, unreconstructed Marxists, and the military.

- In Peru and Colombia insurgencies will continue to be the issue. In Peru the Shining Path guerrilla movement will continue to fade. In Colombia the insurgency will intensify.
- Narcotics will also be an issue. Production and trafficking in illicit drugs will expand in the Andean region, Mexico, Central America, Brazil, and Paraguay, but the United States will not intensify its counterdrug efforts.
- Illegal immigration will continue to pose a major problem for the United States.
- Environmental degradation and the exploitation of nonrenewable resources will continue.

- The North American Free Trade Agreement (NAFTA) will continue to provide major opportunities for U.S. businesses in Mexico. This is the initial step in the creation of a free-trade zone for the entire hemisphere.

- Simultaneously, NAFTA will create major socioeconomic adjustment problems for Mexico. The importation of U.S. corn may force many peasants off the land by the year 2010, intensifying the problems attendant to urban overpopulation and contributing to the illegal migration to the United States. Additionally, many small and medium businesses will not survive foreign competition. The danger of political instability will continue as Mexico tries to make the transition to democracy while undertaking a revolutionary socioeconomic restructuring.

- In the Caribbean, the economic and political crisis will continue in Cuba, but Castro will still be in power at the end of the year.

- In Haiti, the crisis will abate, but not disappear. Socioeconomic progress will not keep pace with rising expectations. Frustrations and disillusionment may surface in the form of violence when the peacekeeping force pulls out in 1996. The issue is whether Haitian democracy can

survive in the medium and long run.

- Venezuela may become a prime candidate for authoritarian restoration as socioeconomic and political conditions in that country deteriorate.
- In 1995, the United States will continue to support democratization efforts throughout the hemisphere. Washington will be less inclined to intervene in the internal affairs of LATAM nations.

THE MIDDLE EAST
Stephen C. Pelletiere

Regional Assessment.

In the Middle East 1995 is potentially a year of extreme difficulty. Until now the *modus operandi* for keeping the peace has been financial inducement. Saudi Arabia and Kuwait not only subsidized friendly but weak regimes, they also financed groups inimical to them. Now these countries have their own financial problems and cash is not so abundant. Likewise, the Egyptian government has neither the resources nor the ability to deal with the serious economic and political problems facing it.

The interests of Syria, Israel and Lebanon are intertwined and will remain so in 1995. In Syria, Hafez al Assad has been patient in his willingness to talk peace with Israel, but wants the return of the Golan Heights. If some accommodation with Israel over the Heights cannot be reached as a part of the peace process, Syria could take the restraints off Hezbollah in southern Lebanon, and military confrontation between Syria and Israel could return. In Israel, ultraconservatives opposed to any accommodation with the Arabs will continue to speak out. In the meantime, Lebanon will attempt to erase all traces of the 17-year civil war that almost destroyed the country. Guided by President Rafik al Hariri, the country has undertaken a multi-billion dollar reconstruction program.

Finally, Algeria is perhaps in more trouble than any other Mid East regime. There a significant opposition force, the Islamic Salvation Front (FIS), has gone underground to foment rebellion. The ruling junta in Algeria will find it difficult ferreting this force out.

Yemen and Oman will come to the fore as trouble spots in the Gulf this year. During the Cold War, Oman looked to the West for aid while a significant portion of Yemen became a Russian client. To some degree, both states have been abandoned in the New World Order. Washington has been urging Oman to embrace democracy and the International Monetary Fund wants Oman to put its financial house in order. Meanwhile, Oman's traditional links to Iran have been loosened and it feels vulnerable to Saudi Arabia, a nation it considers a potential threat.

Yemen, too, finds itself increasingly at odds with the Saudis. Sana'a blames Riyadh for promoting the recent coup which failed. Since Yemen is militarily a match for Saudi Arabia and since it is one of the few friends Iraq still has in the Gulf, this does not bode well for Saudi Arabia.

Given its vital interest in the region's petroleum reserves and the rapid spread of radical Islamic fundamentalism, the United States has to remain engaged in the Middle East. There is, however, a limit to what Washington can do and 1995 will be a year of difficult choices.

Trends and Issues.

- Peace talks between Syria and Israel will proceed, but slow progress will not suffice. If negotiations are protracted, the radicals on both sides will have more time and opportunities to thwart them through conducting the kind of violence which always seems to prompt retaliation.
- Syria will constrain Hizbollah activity in southern Lebanon as long as President Hafez al Assad believes peace with Israel is possible. If the talks stall, southern Lebanon could become a bloody battleground again.
- Likewise, while some radical Palestinians may try to avoid civil war by not provoking Yasir Arafat, look for other elements in Hamas and Hizbollah to challenge Arafat's leadership. If, however, the radical Jewish factions foment another atrocity like the Hebron massacre, spiraling acts of retaliation are likely.
- The stalemate between Iraq and the Western allies will continue as Washington enforces the economic embargo against Baghdad. Saddam Hussein's position will not be undermined by the embargo and the Ba'thist Party will use the hardships it imposes to further galvanize the people's resentment against the Western coalition and solidify their support for Saddam and the regime.
- The Turkish Parliament will renew U.S. base agreements, but the animus against the United States will also increase.
- The situation in Egypt will grow even more desperate. Antigovernment violence will escalate throughout the year.

AFRICA
Steven Metz

Regional Assessment.

For Africa, 1994 was a year of stunning contrasts. On the one hand, democracy was reborn on a continent where it had nearly died. This was crowned with elections in South Africa. The many skeptics who discounted the chances of nonracial democracy in South Africa have, at least temporarily, been proven wrong. But at the same time, the other end of the continent was witnessing one of the most intensely violent collapses of social order ever to befall a small state as Rwanda disintegrated into civil war and horrendous tribal violence.

South Africa and Rwanda, while they define the parameters of Africa's future, are not alternatives but intermix the potential for both disaster and progress so typical of Africa. In South Africa, the present democratic comity may be only an interregnum with ethnic violence and even communist terrorism again exploding after the Mandela administration leaves power. Similarly, Rwanda's recent horrors may have led to the best government that nation has had since gaining independence. As always, events in Africa blend contradictions with a bewildering ease. But the question remains in 1995: What is Africa's future--Rwanda or South Africa?

The answer may become apparent during this year. There has been some good news. In 1989 there were 10 democratic regimes in Africa; within in 3 years there are 33. There has been some economic success, with Namibia and Botswana being the best examples. Most of all, there is an unquenchable drive on the part of many Africans to transcend the conflicts and distress of the past.

With problems balanced against the region's difficulties, however, the future is challenging. Every African nation faces some combination of problems. These may include weak, ineffective, or corrupt governments and the ever-present potential for military intervention in politics. Population pressures are a problem for most nations. Africa's annual population growth at 3.2 percent is the world's highest. Famine is the scourge of some nations and two-thirds of the world's HIV-afflicted adults are Africans. Poverty is a pervasive problem as

an eroding economic infrastructure and massive debt combine to give Africa the world's lowest rate of economic growth. Violence is common in many countries as tribes, clans, and ethnic groups address ancient animosities. As 1995 begins, the good news seems barely a quarter-step ahead of the bad.

Trends and Issues.

- The new African democracies may or may not be able to sustain economic growth. Replacing a dictator or military junta with a democratically elected government is one thing; sustaining democracy in the face of African economic and political realities is something else.
- African governments do not have the resources or the capabilities to respond to conflict, tribal violence, and nature-induced disasters. Only Nigeria and South Africa have the potential to undertake such efforts, and both face internal problems. The Organization of African Unity also has the potential, but it needs reform to be effective.
- In 1995 more African states may "fail." Zaire is a prime candidate for chaos. If that happens, the conflict and violence-induced human disaster there could dwarf that of Somalia, Liberia, Angola, Mozambique, and Rwanda.
- There will not be a dramatic change in the ability of African governments to craft viable policies for population control, sustainable economic growth, infrastructure development, fiscal stability, or environmental protection. Most African states will remain vulnerable to the ravages of disease, poverty, and nature.
- The extent of external involvement as a source of solutions or remedy for Africa's problems will shrink in 1995. Africa depends on the largess of the United States and, more importantly, West European nations. In the United States some internal problems are arguably far more pressing and important to the citizenry. Equally, the European states may decide that their money and efforts would be better spent in the former Soviet Union and in Eastern Europe than in Africa. "Donor fatigue" is setting in throughout the First World.

ASIA-PACIFIC
Thomas L. Wilborn

Regional Assessments.

East Asia and the Western Pacific. In the foreseeable future, East Asia and the Western Pacific will continue to offer tremendous opportunities for U.S. investment and trade. This region also contains what is potentially the nation's number one security problem: North Korea, with its continuing threat to South Korea and with its suspected nuclear weapons program.

The North Korean nuclear question remains a serious threat to the Non-Proliferation Treaty regime and the security of Northeast Asia. The Framework Agreement, signed by Washington and Pyongyang in 1994, if fully implemented should eventually eliminate North Korea's nuclear weapons capability and, perhaps, provide the incentives and stimulus for North Korea to open its borders to increased economic and social interchange with South Korea and its neighbors. Meanwhile, the United States will remain fully engaged in all aspects of the lengthy process of implementing this very complex agreement. In any case, the Democratic People's Republic of Korea's conventional forces will remain deployed close to the Demilitarized Zone and poised to attack with little warning. Until Pyongyang changes this military posture significantly, South Korean and U.S. forces in the Combined Forces Command will remain critical to the security of the Republic of Korea.

To many observers, in and out of the region, the present benign conditions in East Asia may be short-lived. They see challenges to stability in the future aspirations of China and Japan, and the possible disengagement of the United States. China, which has border disputes with most of its neighbors and asserts sovereignty over all of the South China Sea, has increased the tempo of its military modernization program and adopted an offensively oriented military doctrine. There is also the potential for instability because of pressures for decentralization in the economy and confusion over who will control the nation in the post-Deng era. This internal uncertainty is in part responsible for Beijing's failure to enforce intellectual property rights for both American and Chinese writers and artists.

Because of the unique ties between the United States and Taiwan established by the Taiwan Relations Act, Washington is committed to the security of the island while it also recognizes Beijing as the only government of China. On Taiwan, sentiment for abandoning the claim that this island nation is **the** Republic of China and recasting the nation as the *Republic of Taiwan* is growing. This movement, although still a minority view on the island, is vigorously opposed across the straits in Beijing, where military force to prevent the creation of such a republic has not been ruled out.

Japan also continues to modernize its military, although more slowly than in the 1980s and early 1990s. A Japan more actively engaged in foreign policy is still of greater concern throughout the region than is a militarily reinvigorated Japan.

If the United States is perceived throughout the region as being economically and militarily engaged, the prospects for stability will be enhanced. Most nations in the region view the U.S. presence as an essential element of regional security.

The perception is that future potential instability is rooted in the absence of effective regional and subregional multilateral security structures, except for limited arrangements in Southeast Asia. ASEAN, which has long provided a venue for security consultation, was expanded in 1994 with the founding of the ASEAN Regional Forum (ARF). Although ARF encompasses the entire region, new operational organizations which can go beyond providing a forum for discussions have yet to appear.

Although the Communist Party remains entrenched in Vietnam, the country is retreating from a centrally controlled economy as it actively seeks foreign investments and wider diplomatic contacts. On February 8, low-level liaison offices were opened in Washington and Hanoi as the two countries continue to move toward full diplomatic relations. Animosities between Vietnam and China, Cambodia, and Thailand continue and while they persist the possibility for regional instability exists. On the other hand, Vietnam, actively and peacefully participating in regional and international economic and diplomatic intercourse, can be a contributor to Southeast Asian prosperity as well as an active market for U.S. goods and capital.

South Asia. While Indian and Pakistani governments have instituted reforms which have expanded their economies, South Asia still lags behind East Asia economically. Natural disasters plague the region. High rates of population growth strain underdeveloped resources.

South Asia remains a relatively low priority region for the United States, although the Clinton administration has focused considerable attention on the issue of nuclear proliferation. India and Pakistan have both rejected U.S. proposals, but the dialogue continues.

Trends and Issues.

- For the remainder of the decade and beyond, opportunities for trade and investment in Asia will expand. The United States will remain very much a Pacific as well as Atlantic nation.
- HIV, the virus that causes AIDS, is spreading throughout Asia, especially in Thailand and India. The beginnings of a catastrophe with profound human as well as strategic implications are already apparent.
- Most East and South Asian nations are joining Japan and China in modernizing their armed forces.
- As economic and military self-confidence builds among the Asian states, they increasingly will resist direct U.S. initiatives on human rights and democracy. Pointing to American social problems, many Asian leaders, notably from Malaysia as well as China, contend that their cultural and political values are superior to those of the West.
- If the U.S.-DPRK Framework Agreement is successfully implemented, the fundamental assumptions originally underlying the U.S.-ROK Mutual Security Treaty will no longer be valid.
- Even as Taiwanese businessmen increase their investments in China, Taipei has provoked a confrontation with Beijing by aggressively pursuing more extensive international contacts and by trying to enhance the international stature of the Taiwan government. Tensions between China and Taiwan will increase in 1995, but so will trade and economic contacts.
- Relations between the United States and Vietnam will move forward over the next year. Although the Communists remain entrenched in power in Hanoi, the Vietnamese will continue to seek broader economic and diplomatic contact both within

the region and with the West.

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